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Consumer Price Index, Phoenix area – December 2019

Area prices were down 0.6 percent over the past two months, up 3.4 percent from a year ago

Prices in the Phoenix area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.6 percent for the two months ending in December 2019, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Richard Holden noted that the December decrease was influenced by lower prices for electricity and medical care. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 3.4 percent. The index for all items less food and energy rose 3.8 percent over the year. Food prices rose 3.4 percent. Energy prices declined 0.4 percent, largely the result of a decrease in the price of electricity. (See [table 1.](#))

Food

Food prices increased 0.3 percent for the two months ending in December. (See [table 1.](#)) Prices for food away from home rose 1.5 percent, but prices for food at home decreased 0.8 percent for the same period.

Over the year, food prices rose 3.4 percent. Prices for food away from home rose 3.9 percent since a year ago, and prices for food at home rose 3.0 percent.

Energy

The energy index decreased 9.0 percent for the two months ending in December. The decrease was mainly due to lower prices for electricity (-21.8 percent). Prices for gasoline declined 1.3 percent, but prices for natural gas service advanced 0.5 percent for the same period.

Energy prices declined 0.4 percent over the year, largely due to lower prices for electricity (-10.0 percent). Prices for natural gas service declined 7.7 percent during the past year, but prices paid for gasoline rose 6.4 percent.

All items less food and energy

The index for all items less food and energy were unchanged in the latest two-month period. Higher prices for recreation (2.8 percent) and shelter (1.3 percent) helped counter lower prices for apparel (-9.3 percent) and medical care (-4.3 percent).

Over the year, the index for all items less food and energy rose 3.8 percent. Components contributing to the increase included medical care (10.5 percent) and shelter (6.2 percent). Partly offsetting the increases was a price decrease in apparel (-11.1 percent). Recreation and education and communication also declined by 0.4 percent each).

The February 2020 Consumer Price Index for the Phoenix area is scheduled to be released on March 11, 2020.

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). This index changed to a bimonthly publication schedule beginning in February, 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater

volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Phoenix-Mesa-Scottsdale metropolitan area covered in this release consists of Maricopa and Pinal Counties in the State of Arizona.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2019	Nov. 2019	Dec. 2019	Dec. 2018	Oct. 2019	Nov. 2019
Expenditure category						
All items	145.833	-	144.910	3.4	-0.6	-
Food and beverages	150.047	-	150.694	3.4	0.4	-
Food	151.519	-	151.898	3.4	0.3	-
Food at home	146.811	147.399	145.678	3.0	-0.8	-1.2
Cereals and bakery products	189.444	-	181.429	-0.6	-4.2	-
Meats, poultry, fish, and eggs.....	183.387	-	179.956	0.3	-1.9	-
Dairy and related products	113.307	-	119.319	11.0	5.3	-
Fruits and vegetables	128.122	-	128.001	4.6	-0.1	-
Nonalcoholic beverages and beverage materials.....	105.863	-	107.963	2.7	2.0	-
Other food at home	145.560	-	143.045	3.6	-1.7	-
Food away from home.....	159.174	-	161.633	3.9	1.5	-
Alcoholic beverages	137.042	-	140.273	2.8	2.4	-
Housing	150.860	-	150.228	4.4	-0.4	-
Shelter	156.743	157.893	158.740	6.2	1.3	0.5
Rent of primary residence	165.859	167.484	168.610	8.0	1.7	0.7
Owners' equiv. rent of residences	155.395	156.488	157.337	5.8	1.2	0.5
Owners' equiv. rent of primary residence	155.395	156.488	157.337	5.8	1.2	0.5
Fuels and utilities.....	171.364	-	147.383	-6.7	-14.0	-
Household energy	176.470	151.640	142.012	-9.6	-19.5	-6.3
Energy services.....	176.258	151.309	141.646	-9.7	-19.6	-6.4
Electricity	192.170	162.104	150.354	-10.0	-21.8	-7.2
Utility (piped) gas service	96.744	96.764	97.272	-7.7	0.5	0.5
Household furnishings and operations.....	100.864	-	100.470	0.8	-0.4	-
Apparel	137.049	-	124.325	-11.1	-9.3	-
Transportation	131.000	-	131.396	3.2	0.3	-
Private transportation	132.756	-	132.857	2.2	0.1	-
New and used motor vehicles	92.519	-	93.747	0.6	1.3	-
New vehicles	93.993	-	96.202	0.7	2.4	-
Used cars and trucks.....	84.428	-	83.894	-0.1	-0.6	-
Motor fuel	252.012	253.609	248.899	6.1	-1.2	-1.9
Gasoline (all types).....	252.611	254.156	249.343	6.4	-1.3	-1.9
Gasoline, unleaded regular(1).....	254.074	255.543	250.250	6.4	-1.5	-2.1
Gasoline, unleaded midgrade(1).....	262.284	263.102	260.010	4.7	-0.9	-1.2
Gasoline, unleaded premium(1).....	248.921	251.067	248.521	6.4	-0.2	-1.0
Motor vehicle insurance	168.981	-	168.981	-1.8	0.0	-
Medical care	202.553	-	193.813	10.5	-4.3	-
Recreation	116.559	-	119.850	-0.4	2.8	-
Education and communication	116.834	-	116.267	-0.4	-0.5	-
Tuition, other school fees, and child care.....	200.384	-	200.384	2.1	0.0	-
Other goods and services	149.993	-	150.456	3.8	0.3	-
Commodity and service group						
All items.....	145.833	-	144.910	3.4	-0.6	-
Commodities	127.112	-	124.789	2.6	-1.8	-
Commodities less food & beverages.....	115.180	-	111.511	2.1	-3.2	-
Nondurables less food & beverages	158.614	-	150.403	3.8	-5.2	-
Durables	79.004	-	78.945	-0.4	-0.1	-
Services.....	158.788	-	158.777	3.9	0.0	-
Special aggregate indexes						

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2019	Nov. 2019	Dec. 2019	Dec. 2018	Oct. 2019	Nov. 2019
All items less medical care	142.360	-	141.965	2.8	-0.3	-
All items less shelter.....	140.082	-	137.650	1.9	-1.7	-
Commodities less food	115.984	-	112.605	2.1	-2.9	-
Nondurables	154.529	-	150.834	3.6	-2.4	-
Nondurables less food.....	156.725	-	149.534	3.7	-4.6	-
Services less rent of shelter	160.768	-	158.169	1.2	-1.6	-
Services less medical care services.....	155.381	-	155.406	3.7	0.0	-
Energy	211.231	199.313	192.132	-0.4	-9.0	-3.6
All items less energy	142.076	-	142.172	3.8	0.1	-
All items less food and energy	140.545	-	140.603	3.8	0.0	-

Footnotes

(1) Special index based on a substantially smaller sample.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.